

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7815

BILL NUMBER: HB 1598

NOTE PREPARED: Jan 14, 2007

BILL AMENDED:

SUBJECT: Commission for Higher Education.

FIRST AUTHOR: Rep. Espich

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill gives the Commission for Higher Education (Commission) the authority to do the following: (1) Direct a state educational institution to discontinue a program. (2) Approve a state educational institution's course numbering system for the courses in the core transfer library. (3) Develop a policy concerning the reporting of accountability and performance data by state educational institutions, and request the Budget Agency to withhold funds from state educational institutions that do not comply with the policy. (4) Recommend biennially nonbinding tuition targets to state educational institutions.

The bill for fiscal years beginning after June 30, 2009, requires the Commission to present funding recommendations for state educational institutions by classification using a certain classification system and in comparison with peer institutions.

Effective Date: July 1, 2007.

Explanation of State Expenditures: The bill increases the Commission's duties and authority. After June 30, 2009, the Commission is required to present funding recommendations for legislative budget requests for all state educational institutions by classification, using the Carnegie Foundation basic classification system for colleges and universities or a similar system and make comparison with international, national, and regional peer educational institutions.

The bill allows the Commission to direct a state educational institution to discontinue offering an associate, baccalaureate, or graduate degree, or any program of at least 2 semesters that leads to a certificate or other indication of accomplishment.

The bill allows the Commission to approve a state educational institution's course numbering system for the courses in the core transfer library to promote consistency and facilitate articulation agreements.

The bill requires the Commission to recommend in odd-numbered years a nonbinding tuition target based on the mission of the state educational. The state educational institution may set a tuition rate in excess of the target only if the proposed tuition rate is review by the Commission and the Budget Committee.

The bill requires the Commission to develop performance and accountability data reporting policy and submit the policy to the Budget Committee for review and the Budget Direct for approval.

The bill should not increase the expenditures of the Commission but may direct or change some of the Commission's activities. The Commission was appropriated about \$1.5 M from the General fund for FY 2007 and about \$1.3 M in other funding.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Higher Education Commission.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.